

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

JULIE ANNE DARRAH,

Defendant.

CR No. 2:24-cr-00725-ODW

I N F O R M A T I O N

[18 U.S.C. § 1343: Wire Fraud; 18
U.S.C. § 981(a)(1)(C) and 28
U.S.C. § 2461(c): Criminal
Forfeiture]

The United States Attorney charges:

[18 U.S.C. § 1343]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Information:

1. Defendant JULIE ANNE DARRAH was a resident of Santa Maria, California.

2. Defendant DARRAH ran an investment advisory business called Vivid Financial Management Inc. ("VFM"), and through this business she provided investment advisory services to individual clients.

3. VFM was an SEC-registered investment advisor, and from 2015 to 2021, defendant DARRAH was the president, chief compliance officer, and one-third shareholder of VFM.

1 4. Defendant DARRAH was an investment adviser within the
2 meaning of Section 202(a)(11) of the Advisers Act, 15 U.S.C. § 80b-
3 2(a)(11).

4 5. Business Victim 1 was an investment advisory firm based in
5 Minnesota.

6 B. THE SCHEME TO DEFRAUD

7 6. Beginning no later than in or about November 2016, and
8 continuing through at least in or about July 2023, in Santa Barbara
9 County, within the Central District of California, and elsewhere,
10 defendant DARRAH, together with others known and unknown to the
11 United States Attorney, knowingly and with intent to defraud,
12 devised, participated in, and executed a scheme to defraud investment
13 advisory clients (the "individual victims") and Business Victim 1, as
14 to material matters, and to obtain money and property from such
15 victims by means of material false and fraudulent pretenses,
16 representations, and promises, and concealment of material facts.

17 7. The scheme to defraud operated, in substance, as follows:

18 a. Defendant DARRAH misappropriated and stole
19 approximately \$2.25 million from individual victims, that is clients
20 of her investment advisory business.

21 b. Defendant DARRAH gained control of individual victims'
22 assets in several different ways: (1) she was the trustee of their
23 trusts; (2) the individual victims executed standing letters of
24 authorization ("SLOA") authorizing defendant DARRAH, as their
25 investment adviser, to transfer funds from their brokerage accounts
26 to other bank accounts; (3) defendant DARRAH was a signatory on
27 individual victims' bank accounts; and (4) defendant DARRAH had power
28

1 of attorney over individual victims' property, including their bank
2 and brokerage accounts.

3 c. After gaining control of individual victims' assets,
4 defendant DARRAH, without the knowledge or consent of the individual
5 victims, liquidated securities held in their accounts and then
6 transferred cash from those accounts into her personal bank accounts,
7 where she commingled stolen funds with personal funds and funds
8 relating to her other ventures.

9 d. Defendant DARRAH then used those commingled funds to
10 buy and improve properties, pay her personal expenses, buy luxury
11 vehicles, and operate other business ventures.

12 e. Defendant DARRAH convinced Business Victim 1 to
13 acquire VFM based on false and misleading statements and the
14 concealment of material facts, including false and misleading
15 statements and concealment of facts regarding her theft of individual
16 victims' funds, which resulted in approximately \$5.4 million in
17 losses to Business Victim 1 after the fraud was discovered.

18 C. USE OF INTERSTATE WIRES

19 8. On or about June 27, 2023, in San Luis Obispo County,
20 within the Central District of California, and elsewhere, defendant
21 DARRAH, for the purpose of executing the scheme to defraud described
22 above, transmitted and caused the transmission of an interstate wire
23 transfer of \$90,000, from an account ending -xxx960 at T.D.
24 Ameritrade, held in the name of individual victim C.H., to an account
25 at Mechanics Bank ending -xxx647, held in the name of defendant
26 DARRAH and victim C.H.

FORFEITURE ALLEGATION

[18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

1. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of defendant JULIE ANNE DARRAH's conviction on the offense set forth in Count One of this Information.

2. Defendant DARRAH, if so convicted, shall forfeit to the United States of America the following:

a. All right, title, and interest in any and all property, real or personal, constituting, or derived from, any proceeds traceable to the offenses; and

b. To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

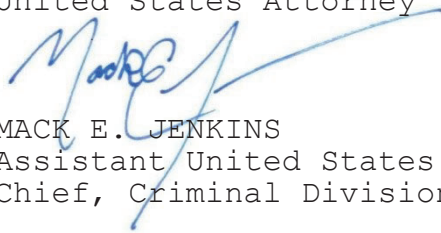
3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), defendant DARRAH, if so convicted, shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as the result of any act or omission of defendant DARRAH, the property described in the preceding paragraph or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to, or deposited with a third party; (c) has been placed beyond the jurisdiction of the court; (d) has been substantially diminished in value; or (e) has

//

//

1 been commingled with other property that cannot be divided without
2 difficulty.

3
4 E. MARTIN ESTRADA
United States Attorney

5 
6 MACK E. JENKINS
7 Assistant United States Attorney
Chief, Criminal Division

8 KRISTEN A. WILLIAMS
9 Assistant United States Attorney
Chief, Major Frauds Section

10 SCOTT PAETTY
11 Assistant United States Attorney
Deputy Chief, Major Frauds Section

12 KERRY L. QUINN
13 Assistant United States Attorney
Major Frauds Section